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WAGE SITUATION IN CENTRAL-SOUTH CHINA ADMINISTRATIVE AREA

[Summary: The following report summarizes excerpts from the book Kuang-tzu Ch'ang-shih Chiang-hua (Informative Lectures on Wages) published by the Central-South China Wage Reform Committee in Wuhan in 1952. This summary discusses benefits that have accrued to the workers since the implementation of wage reforms.]

Citing the provisional regulations governing wages in national and local state-operated communication enterprises in the Central-South Administrative Area, a report of the Central-South Wage Reform Committee stresses the importance of a "wage system compatible with the type of work." This system is further expanded to mean that workers on projects of national importance should be entitled to a higher wage. The report justifies this stand by citing Stalin's words, "equality is the enemy of wage systems."

According to the report, the policy of the Central-South Wage Reform Committee is to increase the total wage fund without any reduction in wages. Thus, by implementing the wage system based on eight grades, the total wage fund for the area, based upon the wage level of the latter part of 1951, was increased 15 percent.

The committee report pointed out that workers can increase their wages in three ways. The first way is by increasing the enthusiasm for production among the workers. This can be accomplished by clearing counterrevolutionary elements from the ranks of workers and raising the ideological level of the workers. The second way is to improve the technical efficiency of the workers and the third way is to abolish the use of old wage systems.

The committee report discussed the question of wage differential payments and justifies them by saying that such payments are necessary in order that the take-home pay of the workers not be lessened by the implementation of the eight-grade wage scale.

The logic of this action, the committee report points out, is to permit the introduction of a scientific wage system and to carry out Chairman Mao's desire to help the working class.

The committee report indicates the need for adjusting old piecework wages by planning new job specifications, adjusting the payment for each unit of goods produced, and giving more consideration to the take-home pay of the workers.

In planning job specifications, the committee report said that modern improvements have greatly increased the potential output of each worker. It mentioned the case of textile workers who were required to tend only two looms under old job specifications, but are actually capable of tending four to six looms.

In fixing the payment for each unit of output, the committee report cited the cases of wages for piecework in the coal mining and textile industries. It said that miner's wages were too low and textile mill worker's wages too high under the old system and advised adjusting the two to conform to a uniform wage level.

However, the committee report pointed out that the real wages of the workers must be taken into consideration and, in view of varying conditions found in different types of enterprises, it is necessary to maintain a system of wage differentials to assure the workers certain minimum standards of living.

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Regarding the subsidizing of rent, water, electricity, coal, and rice, the committee report attacked them as devices of the reactionary Kuomintang regime to placate the workers and strongly urged their "gradual" elimination. However, it praised worker's welfare facilities and urged the expansion of cultural facilities sanatoriums, cooperatives, and the use of safety appliances.

The committee report points out that the piecework wage system can be applied either on the basis of individual production or group production. The latter includes such working components as teams, groups, and collective units. It considers this system the best example of the wages-paid-according-to-work principle for the individual worker as well as for groups of workers. Under this system, it said, the worker receives a wage which varies directly in proportion to the amount he produces.

The committee report stresses the importance of establishing production standards under the piecework system by pointing out that many standards adopted by factories and mines were outmoded. It recommends the replacement of these low standards by new standards set by "progressive workers."

In implementing the eight-grade wage system, the committee report recommended that a system of awards be put into effect at the same time. Thus, awards should be given for rational innovations, quality production, work safety, economy of materials, and completion of above-quota completion of production plans.

The committee report concludes with an attack upon the wage system under the Kuomintang regime which exploited the workers. It then pointed out that under the People's regime, incomplete statistics from 13 factories and mines in the Central-South area showed an 8.8 percent increase in the productivity of labor and an increase of over 13 percent wages in 1951 over the figures for 1950. It predicted that after the present adjustment of wages, the level of wages in the Central-South area will be increased approximately 15 percent.

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